

Congress of the United States
Washington, DC 20515

June 10, 2010

The Honorable Nancy Pelosi
Speaker
H-232, The Capitol
Washington, D.C. 20515

The Honorable Harry Reid
Majority Leader
U.S. Senate
S-221 Capitol Building
Washington, D.C. 20510

Dear Speaker Pelosi and Majority Leader Reid:

Thank you for your sustained and significant efforts in support of an extension of the temporary increase in Federal Medical Assistance Percentage (FMAP) funding provided through the American Recovery and Reinvestment Act (ARRA). We understand the fiscal challenges associated with funding the FMAP extension; accordingly, we greatly appreciate your work in this vital area, including Senator Reid's inclusion of the six-month extension in the Senate version of the American Jobs and Closing Tax Loopholes Act and Speaker Pelosi's work to find common ground to include it in the House version of the bill.

Massachusetts and nearly 30 other states are facing drastic budget cuts in the event that the temporary FMAP funding provided through ARRA is not extended. As you know, the House approved the six-month extension of FMAP as part of its version of the Affordable Health Care for America Act, the Senate is expected to consider the extension as part of its version of the American Jobs and Closing Tax Loopholes Act, and President Obama included the extension in his fiscal year 2011 budget proposal. As a result, like most states across the country, Massachusetts included over \$600 million in extended FMAP funding in its fiscal year 2011 budget proposal.

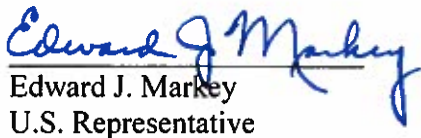
The extension will provide a vital lifeline that will protect health programs serving vulnerable residents, mitigate the need for state layoffs of teachers and public safety employees, and preserve the social safety net for individuals and families still struggling to recover from the ongoing recession. If the extension is not enacted in the coming weeks, states will begin to initiate drastic cuts, layoffs, and tax increases which will endanger our national economic recovery. Just yesterday, Massachusetts proposed a 3.6% across the board cut in spending levels to account for the loss in FMAP revenues. These cuts will take place in addition to reductions which were already being considered to close an approximate \$3 billion budget gap for the state's 2011 fiscal year which begins in less than a month, on July 1, 2010. The cumulative effect of these cuts will lead to more crowded classrooms for Massachusetts children, diminished capacity in emergency

rooms, and fewer police patrolling the streets. The extension of FMAP is central to mitigating the need for these drastic measures.

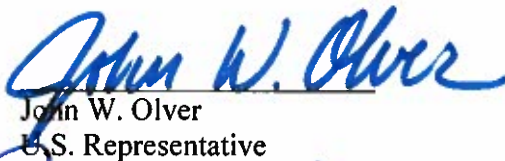
Accordingly, we respectfully request that you continue your efforts to include the six-month extension of enhanced FMAP funding at the earliest possible opportunity.

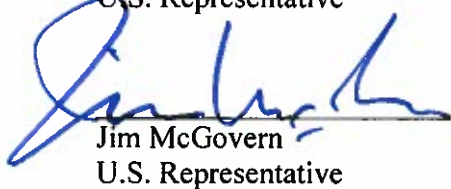
The coming days will be critical, and we stand ready to assist your efforts in support of a six-month extension in the temporary increase in FMAP funding. Thank you for your consideration.

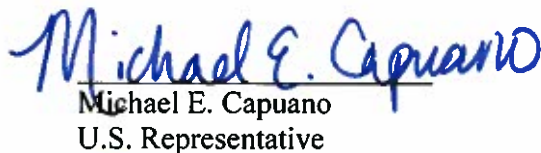
Sincerely,


Edward J. Markey
U.S. Representative

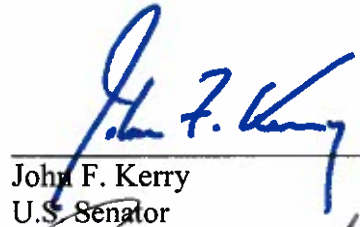

Barney Frank
U.S. Representative

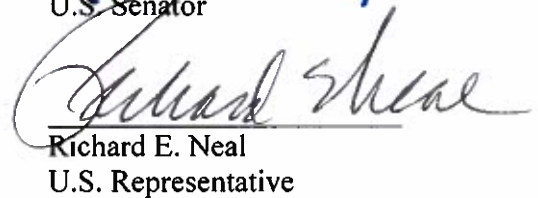

John W. Olver
U.S. Representative

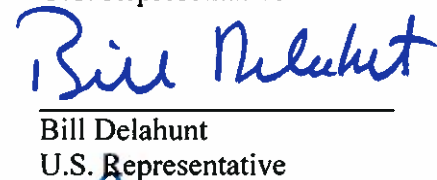

Jim McGovern
U.S. Representative

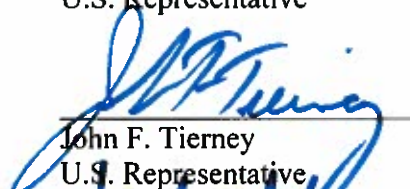

Michael E. Capuano
U.S. Representative


Niki Tsongas
U.S. Representative


John F. Kerry
U.S. Senator


Richard E. Neal
U.S. Representative


Bill Delahunt
U.S. Representative


John F. Tierney
U.S. Representative


Stephen F. Lynch
U.S. Representative